T. K.

1942.

File No. Cotton Prohibition II/42

Legal DEPARTMENT

B BRANCH

K

Subject:— P-52 Fc

Rules and Notifications

under the

Bombay Option in Cotton

Prohibition Act, 1939

File No.: Cotton Prohibition II/42

Std. Sectt. Slip 24 E. C.

302-B

C O N T E N T S.

Legal Department File No. Cotton Prohibition II /42.

Sr. No.	Compilation No.	Subject	Pages
		B. Options in Cotton Prohibition Act. 1939.	
1.	U.O. to F.D.No 3531Confl. dt. 24/4/42.	S. 3(1) read with proviso to s. 3(2) Notfn. - under---	1-4
2.	U.O. to F.D.No. 10272 dt. 24.12.42.	S. 3(1) r.w. proviso to s.3(2) Notfn. under	5-8
3.	R.I.No. 12975 dt. 31/12/42.	F.D.Notfn No. 4233/33-D dt. 29/12/42, published in B.G.G. Extra. ordry dt. 30-12-42.	9/14

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1/5/56.

Office of the R.L.A.

A revised draft notification is sent herewith.

O.C. P.N.M.

24.4

Remembrancer of Legal Affairs.

U.R. to P.D.No. 3531-Confl. dated the 24th April 1942.

S.A.K.
1/5/56.

NOTIFICATION

Finance Department.

Bombay Castle, April 1942.

No. :- Whereas a new scheme of Hedge Contract is under consideration and the Government of Bombay is of opinion that in the interest of trade, it is necessary to make forthwith the following variation in the By-laws of the East India Cotton Association, Limited:

Now, therefore, in exercise of the powers conferred by sub-section (1) of section 3 read with the proviso to sub-section (2) of the said section 3 of the Bombay Cotton Options Prohibition Act, 1939 (Bom. XXV of 1939) the Government of Bombay is pleased to amend the said By-laws as follows, namely:-

For By-law 47 of the said BY-laws the following shall be substituted, namely:-

"47.(1) No person shall trade in New Crops in any year--

(a) before such date, between the 31st March and the 1st May as may be fixed in this behalf by the Board:

Provided that this sub-clause shall not apply if a date is fixed under sub-clause (b) hereof:

(b) before such date, being later than the 1st May as may be fixed in this behalf by the Board with the previous approval of the Government of Bombay.

(2) Any member trading in New Crops in

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1/5/56.

contravention of clause (1) of this By-law, may, in addition to all other penalties, be dealt with under By-law 17[a].

By order of the Governor of Bombay,

Secretary to Government.

S.A.K.

1/5/36.

Office of the R.L.A.

A revised draft notification is appended.

2. The suggested amendments of the by-laws will no doubt be legally binding on future contracts; but it is not clear if they will operate to bind the deliveries of the new hedge contract due in January next. Presumably these deliveries relate to contracts already entered into under the existing by-laws and subject to them. The amendments will not have the legal force of affecting such existing contracts, or of altering any rights and obligations accured thereunder as respects delivery or settlement. (cf. the Bill sent will R.L.A's opinion No. 4842 dated 12.6.1942 and prepared in conformity with the Advocat e General's opinion dated ~~12.6.42~~ 10-6-42). Under the circumstance, F.D. may consider whether the variations in the by-laws should be made under section 3 of the Bombay Option in Cotton Prohibition Act, 1939 by the Government as a measure of urgency, or whether they should be left to be made in the normal course by the East Indian Cotton Association under the Bombay Cotton Contracts Act, 1932.

Sd/- P.N.Moos
24/12

Remembrancer of legal Affairs.

U.R. to F.D.No. 10272, dated the 24th December 1942.

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1/5/56.

Draft Notification.

Finance - Department.
Bombay Castle. December 1942.

Bombay Options in Cotton Prohibition Act, 1939 (Bom. XXV of 1939).

No. 4233/33-D. - Whereas the government of Bombay is of opinion that in the interest of trade, it is necessary to make forthwith the following variations in the By-laws of the East India Cotton Association, Limited;

Now, therefore, in exercie of the powers conferred by sub-section (1) of section 3 read with the proviso to sub-section (2) of the said section 3 of the Bombay Options in Cotton prohibition Act, 1939 (Bom. XXV of 1939), the Government of Bombay is pleased to make the following variations in the said by-laws, namely:-

1. In By-law 64 of the said By-laws-

(1) in clause (1), after the words "Delivery order" the words "for delivery in Bombay" shall be inserted; and

(2) in clause (4) for the words beginning with the words "if the buyer elects" and ending with the words "within the same period" the following shall be substituted, namely -

"If the buyer elects to exercise the right of demanding delivery upcountry, as aforesaid, the seller may instead of tendering upcountry, tender to the last buyer within 24 hours from the posting by the Clearing House of the notice under By-law 159A."

2. For the second sentence of By-law 151 of the said By-laws, the following shall be substituted, namely:-

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"These forms shall specify the contract price or last settlement price, if any, the marks and the description of the cotton tendered, the standard under which it is to be surveyed, the date of declaration, and in Form 5 the names of the seller and his immediate buyer. In Delivery Order Forms sent to the Clearing House on the due date the settle shall specify the jaitha or godown in Bombay in which the cotton is lying, or if the cotton is upcountry, the place where it is. In Delivery Order Forms sent on any other tender day the seller shall specify the jaitha or godown in Bombay in which the cotton is lying."

By order of the Governor of Bombay.

Joint Secretary to Government.

J.A.K.
1/5/56.